

**9/30/77 [2]**

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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

cc Ham  
Jody

September 30, 1977

Q  
/

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE

*F.M.*

Cranston and Jackson have been working the floor all day counting votes to table Pearson-Bentsen #2. Pearson-Bentsen #2 decontrols natural gas after the first two years onshore. For the first two years onshore, it applies approximately \$2.50 per Mcf ceiling. Offshore it provides a new regulatory standard based on market pricing for five years after which all controls expire.

Our highwater mark was last night. The vote now looks like we lose-- with our losing Dennis DeConcini (Ariz), John Chafee (R.I.), Jennings Randolph (W.Va.) and Quentin Burdick (N. Dak.).

Jackson and Cranston intend to try to get an up or down vote for passage or tabling at around 4:30 or 5:00 p.m. If we lose, we will go to conference with this. It is still possible that Abourezk and Metzenbaum may continue to filibuster and not allow it to come to a vote.

It is general agreement that the Senate will recess for the weekend regardless of the outcome this afternoon. I personally hope we get the vote today, as it looks even worse next week with Robert Stafford (Vt) and John McClellan (Ark) back. I will give you a more detailed report in the Weekly Legislative Report.

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*Cancelled*

4:45 p.m.

6369

THE WHITE HOUSE  
WASHINGTON

September 28, 1977

MEETING WITH SUMMIT INTERNATIONAL PREPARATORY GROUP

Friday, September 30, 1977

4:45 p.m. (15 minutes)

The Roosevelt Room

From: Henry Owen *HO*

I. PURPOSE

To indicate your interest in Summit follow-through.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

- A. Background: The International Preparatory Summit Group, which met before and during the Summit, will meet September 29 and 30 to review progress in carrying out Summit decisions. It will probably conclude that reasonable progress is being made in fulfilling most of the Summit decisions, but that (i) Japan should do more to reduce its external surplus, (ii) Germany should do more to reflate, (iii) Summit governments should work harder to fulfill the timetable on trade negotiations agreed by the European Commission and Bob Strauss.
- B. Participants: I attach a list of Summit Group members. (Tab A)
- C. Press Plan: There will be a photographic session when you greet the Group members. We will brief the press about the meeting.

III. TALKING POINTS

We will quickly summarize the Group's review for you. You may wish to:

- indicate the importance of Summit follow-up and how pleased you are that the Group is addressing this task in a systematic way;
- stress two post-Summit issues: (i) the need for the strong countries to fulfill their Summit growth targets and adjust their external surpluses; (ii) the need for all countries to fulfill the agreed timetable on trade negotiations.

A

## PARTICIPANTS

### International Preparatory Group Meeting

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- EC - Crispin Tickell, Chief of Cabinet of the President,  
Commission of the European Community
  
- France - Bernard Clappier, Governor, Bank of France  
Jacques de Larosiere, Director of the Treasury  
Bernard Bochet, Head of the Economic Cooperation Office,  
French Foreign Ministry
  
- \* Japan - Bunroku Yoshino, Deputy Minister of Foreign Affairs  
Michiya Matsukawa, Vice Minister of Finance for International  
Affairs  
Toshio Mochizuki, Deputy Director, Office of Planning and  
Coordination, Economic Bureau of Foreign Ministry
  
- Italy - Ambassador Mario Mondello, Director General of Economic  
Affairs  
Umberto LaRocca, Minister of Foreign Affairs, Advisor to the  
Prime Minister  
Dr. Silvano Palumbo, (one of) Director General, Ministry of  
the Treasury
  
- Germany - Dieter Hiss, Assistant Secretary, Executive Office of the  
Federal Chancellor  
Dr. Waldemar Mueller-Thuns, Deputy Secretary of Ministry  
of Economics  
Dr. Alois Jelonek, Ministry of Foreign Affairs
  
- UK - Sir John Hunt, Secretary of the Cabinet, British Foreign Office  
Sir Michael Palliser, Permanent Under Secretary of State  
(and Head of Diplomatic Service)  
K. E. Couzens, Deputy Secretary in the Treasury
  
- Canada - A. E. Gotlieb, Under Secretary of State for External Affairs  
Ivan Head, Senior Advisor (International Relations) in the  
Prime Minister's Office  
Dr. William Hood, Associate Deputy Minister, Department  
of Finance

US - Richard Cooper, Under Secretary for Economic Affairs,  
The Department of State

Anthony Solomon, Under Secretary for Monetary Affairs,  
The Department of the Treasury

Charles Schultze, Chairman, Council of Economic Advisors

Robert Hormats, Deputy Assistant Secretary for Economic  
and Business Affairs, the Department of State

Henry Owen, Special Representative to the President

\* Japan - Makoto Kuroda, Director of the International Economic  
Division of MITI

THE PRESIDENT HAS SEEN.

12:00 noon

THE WHITE HOUSE  
WASHINGTON

September 29, 1977

LUNCH WITH CHAIRMAN GEORGE MAHON

Friday, September 30, 1977  
12:00 Noon (30 minutes)  
The Oval Office

From: Frank Moore *J.M.*

I. PURPOSE

To meet with Chairman Mahon before he retires from the House of Representatives.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background: Rep. Mahon was a county district attorney when he was first elected to the House in 1934. He has been Chairman of the Appropriations Committee since the death of Clarence Cannon in 1964, and can be regarded as the most singularly powerful committee chairman in the House. He is also the Dean of the House.

Participants: The President, Chairman Mahon.

Press Plan: White House photographer only.

III. TALKING POINTS

1. Chairman Mahon should be thanked for changing his previous positions on two important pieces of legislation: the B-1 recision and Foreign Aid Appropriations. Because of his chairmanship, his change in position has helped us a great deal.
2. Chairman Mahon also used his influence to bring Clarence Long around to a compromise on the current foreign aid appropriations bill.

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12:00 12:05 PM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

September 30, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*  
ANNIE GUTIERREZ

SUBJECT: Mennonites in Texas/Congressman Mahon  
Lunch

Congressman Mahon wrote to you concerning the Mennonites who were ordered deported from his district in West Texas. You replied that your staff would look into it. Since you are having lunch with him, we want to apprise you of the present situation.

The Mennonites are in the United States in violation of our immigration laws, having come on tourist visas. The INS has extended the date by which they may depart from October 1 to January 31, 1978.

The only course of action which the Administration can take to keep them in the United States would be for the Attorney General to put them in a parole status under his administrative authority. Such action would leave them in a very uncertain status which can be revoked at any time and which carries no benefit or protection under the immigration law, including no chance for citizenship. In addition, such action would cause enormous criticism from Hispanic and Asian groups since there are thousands of others facing deportation who will not be allowed to stay and will therefore view such action as unfair. (A large group of Philippino medical personnel are slated to be deported due to a change in certain medical examination regulations.)

It would appear that the best solution would be a private bill passed by Congress. This could grant them permanent resident status and the hope of future citizenship. It would avoid any charge of unfairness or unequal treatment by the Administration, and we would not be precluded from supporting and encouraging such a humanitarian gesture. We believe that Congress should take the ball on such a bill, rather than the Administration.



9:15 Am

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

September 29, 1977

MEETING WITH MEMBERS OF THE HOUSE ON THE  
FY 1978 FOREIGN AID APPROPRIATIONS BILL

Friday, September 30, 1977  
9:15 a.m. (1 hour)  
State Dining Room

From: Frank Moore *J. M.*

I. PURPOSE

To build support in the House for a compromise on the foreign assistance appropriation bill which will be politically acceptable to the members but at the same time not jeopardize our foreign policy.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

Background: The Conference on the FY 1978 Foreign Aid Appropriations Bill failed to resolve House/Senate differences with regard to a large number of issues. The most important are prohibitions on the use of U.S. funds "directly or indirectly"--i.e., through the international development banks--for aid to seven countries (Vietnam, Laos, Cambodia, Uganda, Angola, Mozambique and Cuba) and for loans by the banks for the production of three agricultural commodities (palm oil, sugar and citrus fruits).

These banks could not accept U.S. Funds so conditioned. Passage of these amendments would effectively take us out of the banks, severely disrupting North-South relations and U.S. relations with our allies.

In order to resolve the impasse, Treasury and State have worked with the House Appropriations Committee and House Leadership to reach a compromise under which the Bill would require the Administration to vote against and oppose all IFI loans to the above-mentioned seven countries (language in Attachment "A"). The amendment on agricultural commodities would have the Administration oppose such loans (language in Attachment "B").

We suggest that you take a very tough position with the House members. You might indicate that you understand their political dilemma and are willing to agree to a compromise which will solve it, but stress that the national interest simply will not permit a self-serving vote on these issues.

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FYI: Many of the liberals in your audience have been grumbling that they have borne the cross for foreign aid in the past but are unwilling to do so at a time when the Administration has made budget cutting popular politically and indeed cut some of their favorite domestic programs. The softer the domestic economy looks, the more they hold this position. You may wish to address this issue head-on, and promise to give them all the political protection you can.

We believe this is a workable compromise which would enable members to avoid "voting for aid to Vietnam" while enabling us to remain in the banks. We have also established through Senator Inouye that the Senate will reluctantly accept this compromise.

In your remarks, you may not wish to concentrate on the details of the compromise as contained in the Talking Points, but rather emphasize the principle that funds for the international banks should not be encumbered by restrictions. You should be in a position to reluctantly go along with a compromise so as not to forsake those supporters who fought hard for the Administration's positions.

Participants: See attached list.

Press Plan: White House Photographer.

### III. TALKING POINTS

#### General

--I have no illusion that foreign aid is politically popular, particularly when we are trying to restrain spending.

--But, I have no illusion either about the kind of world we are dealing with. Representatives from 131 countries were in Washington this week for the IMF meetings, and they are all asking hard questions about America's leadership role in the world economy. Cy Vance is at the UN General Assembly meeting in New York, where the vast majority of other Foreign Ministers are from countries a lot poorer, smaller and more vulnerable than we. They can be our friends if we offer constructive leadership; or they can be our enemies.

--The hard fact is that our economic health--our prices, our oil supply, our market--depend on our relations with many of those countries. Our safety depends on whether they build nuclear bombs, and many of them can.

--I know you want America to lead and play a constructive role. I also know there are political risks involved. But if we stick together, you and I, we can move America and the world away from war and recession, and toward security.

--By now, I know that many of you are aware of the extremely serious consequences that would follow from enactment into law of the House amendments.

--Such legislation would effectively bar continued U.S. participation in the World Bank family and the three regional development banks. Under their charters, the banks cannot legally accept such earmarked contributions. This has been confirmed in legal opinions from the World Bank, by our own General Accounting Office and by the General Counsel of Treasury.

--It would shatter the North-South relations just as we are making major progress on that front, and just before I am about to travel to some of the most important developing countries in the world.

--In short, it would break U.S. faith with the rest of the world and severely undermine confidence of other countries in the United States, with far-reaching effects on our overall foreign policy.

--This Administration is not going to help countries violate human rights by giving them military assistance if we can help it. We have made it plain that the United States has a new policy in this regard.

--But branding countries as human rights violators in a piece of legislation seems to be a mistake. Are they more likely to shape up if we publicly embarrass them? Aren't they more likely to improve if we hold out the hope that some assistance could be forthcoming?

FYI IF ASKED:

We are considering voting in favor of a loan by the Inter-American Development Bank for a hydro-electric project in El Salvador. A new government has taken office in El Salvador. While there has been concern about the manner in which the elections were conducted, the Government has shown concern for human rights since it was inaugurated. In the case of a recent threat to Jesuit priests, the Government provided adequate security and no incidents occurred. It has allowed the state of seige to lapse, permitted press freedom and told exiles they could return.

Terrorists recently shot and killed the Rector of the University, a prominent member of the El Salvadorian establishment. Strong pressures are now being exerted on President Romero to take extra constitutional measures to deal with terrorism. You are resisting these pressures as you are aware of the international community's concern for human rights and desires to stay within the constitutional norm. You believe this loan would bolster his efforts.

CONCLUSION:

--I need every vote in this room.

--I need the support of those who are in positions of leadership--Jim Wright and Doc Long.

--I am sure there is a compromise which can be worked out which will satisfy some of the political pressures but meet our urgent international needs as well.

PARTICIPANTS  
Briefing on Foreign Assistance

The President

Ambassador Andrew Young

Ambassador Allard Lowenstein

Edward Mezvinsky-U.S. Rep. to the U.N. Commission on Human Rights

John Gilligan-Administrator/AID

Jean P. Lewis-Assistant Administrator for Legislative Affairs

Walter Lockwood-State Dept.-Special Assistant for Legislation and  
Public Affairs/Economic and Business Affairs Department

Douglas Bennet-Assistant Secretary of State for Congressional Rel.

Michael Blumenthal-Secretary of the Treasury

Fred Bergsten-Assistant Secretary for International Affairs

Gene Godley-Assistant Secretary for Legislative Affairs

Colby King--Deputy Assistant Secretary for Legislative Affairs

Zbigniew Brzezinski

Jerry Schecter

Frank Moore

Bill Cable

The following Members of the U.S. House of Representatives:

Joseph Addabbo (D-7-NY)

Jerome Ambro (D-3-NY)

Joseph Ammerman (D-23-PA)

Les AuCoin (D-1-Oregon)

Doug Barnard (D-10-GA)

Max Baucus (D-1-Mont)

Berkley Bedell (D-6-Iowa)

Mario Biaggi (D-10-NY)

James Blanchard (D-18-Mich)

Michael Blouin (D-2-Iowa)

Edward Boland (D-2-Mass)

David Bonior (D-12-Mich)

John Brademas (D-3-Ind)

Garry Brown (R-3-Mich)

John Buchanan (R-6-Ala)

Phillip Burton (D-6-Calif)

Bruce Caputo (R-23-NY)

Charles Carney (D-19-Ohio)

John Cavanaugh (D-2-Neb)

Elford Cederberg (R-10-Mich)

Barber Conable (R-35-NY)

Silvio Conte (R-1-Mass)

John Conyers (D-1-Mich)

David Cornwell (D-8-Ind)

Lawrence Coughlin (R-13-Pa)

Norman D'Amours (D-1-NH)

James Delaney (D-9-NY)

Ronald Dellums (D-8-Calif)

Christopher Dodd (D-2-Conn)

Joseph Early (D-3-Mass)

Joshua Eilberg (D-4-Pa)

Billy Lee Evans (D-8-Ga)

Thomas Evans (R-at large-Del)

Paul Findley (R-20-Ill)

Hamilton Fish (R-25-NY)

James Florio (D-1-NJ)

Thomas Foley (D-5-Wash)

Wyche Fowler (D-5-Ga)

Bill Frenzel (R-3-Minn)

Richard Gephardt (D-3-MO)

Henry Gonzalez (D-20-Texas)

James Hanley (D-32-NY)

Mark Hannaford (D-34-Calif)

Thomas Harkin (D-5-Iowa)

Margaret Heckler (R-10-Mass)

Jack Hightower (D-13-Texas)

Harold Hollenbeck (R-9-NJ)

William Hughes (D-2-NJ)

Henry Hyde (R-6-Ill)

Andrew Jacobs (D-11-Ind)

John Jenrette (D-6-SC)

Peter Kostmayer (D-8-Pa)

Jim Leach (R-1-Iowa)

Joseph Le Fante (D-14-NJ)

Clarence Long (D-2-MD)

Gillis Long (D-8-La)

Thomas Luken (D-2-Ohio)

Stanley Lundine (D-39-NY)

# PARTICIPANTS

(Con't)

Mike McCormack (D-4-Wash)  
 Joseph McDade (R-10-Pa)  
 Matthew McHugh (D-27-NY)  
 Edward Madigan (R-21-Ill)  
 Andrew Maguire (D-7-NJ)  
 Marc Marks (R-24-Pa)  
 Jim Mattox (D-5-Texas)  
 Robert Michel (R-18-Ill)  
 Barbara Mikulski (D-3-MD)  
 George Miller (D-7-Calif)  
 Toby Moffett (D-6-Conn)  
 Robert Mollohan (D-1-W VA)  
 Gary Myers (R-25-Pa)  
 Steve Neal (D-5-NC)  
 Lucien Nedzi (D-14-Mich)  
 Mary Rose Oaker (D-20-Ohio)  
 James Oberstar (D-8-Minn)  
 David Obey (D-7-Wis)  
 George O'Brien (R-17-Ill)  
 Leon Panetta (D-16-Calif)  
 Edward Patten (D-15-NJ)  
 Richardson Preyer (D-6-NC)  
 Joel Pritchard (R-1-Wash)  
 Fred Richmond (D-14-NY)  
 Matthew Rinaldo (R-12-NJ)  
 Robert Roe (D-8-NJ)  
 Teno Roncalio (D-at large-Wyo)  
 Fred Rooney (D-15-Pa)  
 Dan Rostenkowski (D-8-Ill)  
 Edward Roybal (D-25-Calif)  
 Philip Ruppe (R-11-Mich)  
 Leo Ryan (D-11-Calif)  
 Ronald Sarasin (R-5-Conn)  
 James Scheuer (D-11-NY)  
 Patricia Schroeder (D-1-Colo)  
 Philip Sharp (D-10-Ind)  
 George Shipley (D-22-Ill)  
 Paul Simon (D-24-Ill)  
 Virginia Smith (R-3-Neb)  
 Bill Stanton (R-11-Ohio)  
 Fortney Stark (D-9-Calif)  
 Newton Steers (R-8-MD)  
 Dave Stockman (R-4-Mich)  
 Louis Stokes (D-21-Ohio)  
 Samuel Stratton (D-28-NY)  
 Ray Thornton (D-4-Ark)  
 Jim Guy Tucker (D-2-Ark)  
 Al Ullman (D-2-Oregon)  
 Charles Vanik (D-22-Ohio)  
 James Weaver (D-4-Oregon)

Charles Wilson (Texas)-(D-2-Texas)  
 James Wright (D-12-Texas)  
 Chalmers Wylie (R-15-Ohio)  
 Sidney Yates (D-9-Ill)  
 Bill Young (R-6-Fla)  
 Robert Young (D-2-MO)  
 Leo Zeferetti (D-15-NY)

APPROPRIATIONS CONFERENCE

Major Issues in Disagreement

House

Senate

Prohibits indirect funding to:

No provision

Uganda  
Cambodia  
Laos  
Viet-Nam  
Mozambique  
Angola  
Cuba

Prohibits indirect funding toward  
production of:

No provision

Palm Oil  
Citrus  
Sugar

Prohibits certain military assistance to:

No provision

Ethiopia  
Uruguay  
Argentina  
Brazil  
El Salvador  
Guatemala

Limits military assistance to  
to Philippines to \$16.6 million  
vs. request of \$19.6

No provision

September 29, 1977

JOINT STATEMENT  
BY FORMER SECRETARIES OF THE TREASURY

As former Secretaries of the Treasury, we reaffirm our belief that United States participation in the international financial institutions -- the World Bank and the regional development banks -- is vital to American economic and political interests.

Continued U.S. participation in these lending institutions is now totally dependent on the Congress of the United States. The Fiscal 1978 Foreign Assistance Appropriations Act is pending before Congress. The restrictive amendments contained in the House version of this bill would effectively end U.S. participation in the Banks. The charters of these multilateral institutions simply would not permit them to accept funds so conditioned by individual members.

Such a result would gravely undermine the world economy and the future well-being of the American people. Indeed, our contributions of about \$2 billion are essential to mobilize contributions of \$5.5 billion -- almost three times as much -- from other donor countries.

If the institutions are cut off from these funds, lending that would benefit hundreds of millions of poor people throughout the world would cease. U.S. relations with the poor countries would be shattered. Our relations with the other donor countries -- our closest allies in Europe, Canada and Japan -- would be disrupted, for they have already decided to contribute their



fair share to these institutions on the assumption that we would contribute ours. As a result, the international cooperation which is so critical to the stability and growth of our world economy would be severely jeopardized.

Over the past several decades successive Presidents of the United States--Truman, Eisenhower, Kennedy, Johnson, Nixon and Ford--supported with strong bipartisan backing in the Congress, have encouraged the development and expansion of the role of the World Bank and the regional development banks.

As Secretaries of the Treasury during this period since World War II, we have consistently urged this feature of our foreign economic policy as an indispensable element of an effort to engage the other wealthy industrialized democracies in sharing our burden and responsibility to assist the poorer, less developed nations in providing some hope and progress for their peoples. We firmly believe that these multilateral financial institutions are essential to peace and prosperity. Continued U.S. support and participation in a leadership role is vitally necessary to a continuance of these organizations as effective instruments for international cooperation.

Therefore, we hope that the Congress will modify the restrictive amendments and vote out the appropriations so that the World Bank and regional development banks can accept the U.S. subscriptions.

Robert B. Anderson  
Joseph W. Barr  
John B. Connally  
Douglas Dillon  
Henry H. Fowler  
David M. Kennedy  
George P. Shultz  
William E. Simon  
John W. Snyder

COUNTRIES

## MODIFICATION OF AMENDMENT NO. 42

None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly in any manner whatsoever, and in the case of indirect assistance the U.S. representative to the various multilateral and international financial institutions shall vote against and oppose, any loan and other financial or technical assistance or any assistance or reparations to Uganda, Cambodia, Laos or the Socialist Republic of Vietnam.

## MODIFICATION OF AMENDMENT NO. 77

None of the funds appropriated or made available pursuant to this Act shall be obligated or expended to provide assistance to the international financial institutions unless the United States representatives to these institutions oppose any loan and other financial or technical assistance for establishing or expanding production for export of palm oil, sugar, or citrus crops if such loans or assistance will cause injury to United States producers of the same, similar, or competing agricultural commodity.

THE WHITE HOUSE  
WASHINGTON

Rich -

The original of  
this memo was  
sent to the  
Advance Office

THE WHITE HOUSE  
WASHINGTON  
September 29, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS *JL*

SUBJECT: Luncheon Meeting with Asian Foreign Ministers  
and UN Delegation Heads

From material supplied by State and NSC, Rick Hertzberg suggests these points:

1. Many of the nation-states of the continent of Asia are new, but they are rooted in the oldest civilizations on earth. Their accomplishments in philosophy, religion, art, literature, and the sciences have enriched all human kind, and helped give rise to the vision of harmony among peoples that inspired the founding of the U.N.
2. Our historic and cultural ties underpin our cooperation today in working toward common goals:
  - With the governments of the Middle East, we are firmly committed to finding a just and durable settlement of the Arab-Israeli conflict and to the development and conservation of energy resources to meet the world's long-term needs.
  - With the governments of South Asia, we are engaged in an epic struggle for economic development in a climate of peace and cooperation.
  - In Southeast Asia, we seek to strengthen our historic ties with friends and, putting past bitterness behind us, to develop new relations with former adversaries.
3. Our common agenda reflects a need to strengthen all aspects of the world's economy for our mutual benefit. This cannot be a one-sided relationship, because our economies are truly interdependent.

- Our needs are complementary and we exchange both raw materials and finished products.
- In 1976 there was more than \$75 billion in trade between the U.S. and the countries of the Asian regions.
- Among our major imports are oil from the Middle East, textiles from South Asia, and cars and electronic equipment from East Asia.
- For the future we are committed to further expansion of this trade and to resisting the pressures of protectionism.
- And we are committed to helping broaden economic opportunities for all peoples.

4. With all your countries, we seek solutions to the common problems of population pressures, uneven distribution of resources, rural and urban poverty, and disease.

5. These challenges can be met only through cooperative action. That is why the United States attaches such great importance to this organization and the nations represented in it.

# # #

THE WHITE HOUSE  
WASHINGTON

*File*

September 30, 1977

To Senator Abe Ribicoff

Thank you for your recent letter concerning the Public Officials Integrity Act, S. 555. I share your appreciation for the cooperation between the Government Affairs Committee and the Administration which led to Senate passage of this important legislation on June 27. Administration representatives are now working with the various concerned committees in the House to achieve House passage of similar comprehensive ethics-in-government legislation in the current session.

My commitment remains strong to enactment of legislation along the lines of the special prosecutor provisions of Title I of S. 555. As you know, that commitment was first stated during last year's campaign, and it has since been reaffirmed by my May 3 message to the Congress on ethics in government, when I announced my "support for legislation to authorize appointment of a temporary Special Prosecutor to handle cases of misconduct by high-ranking Executive Branch officials."

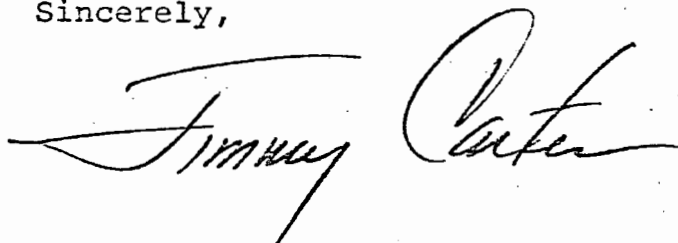
At the same time, I believe, as I have stated previously, that appointment of a special prosecutor for the Korean matter would impede the very vigorous and thorough pursuit of that case being conducted by the Department of Justice. Accordingly, as you note, the Administration strongly opposes the provision of S. 555 relating to appointment of a special prosecutor for the Korean case. I regret the misunderstanding that led to acquiescence in this provision.

There is one other feature of Title I which I would like to mention. The Administration continues to oppose the provisions of that title which would create a statutory Office of Government Crimes with a Presidentially appointed director within the Department of Justice.



I expect and hope that sound ethics legislation can be adopted, covering each of the areas set forth in my May 3 message to the Congress, and meeting the criteria I have stated. We will continue to work toward that end with you and your staff, as well as with the House, through the remaining weeks of the session.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Honorable Abraham Ribicoff  
Chairman  
Committee on Governmental Affairs  
United States Senate  
Washington, D. C. 20510

THE WHITE HOUSE  
WASHINGTON

Rich -

The original  
of these  
memos  
have gone to  
Tom Thornton

THE WHITE HOUSE  
WASHINGTON  
September 30, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS *JF*  
SUBJECT: Reception for Latin American and  
Caribbean Group

In addition to offering some general praise of the United Nations and its purposes, you might wish to make some of these points, which Rick Hertzberg culled from material supplied by State and NSC:

1. At the OAS General Assembly last June, there was a newly constructive atmosphere. Though consensus was not always possible, the participants did justice to the complexity of the issues. We hope the same will be true of this General Assembly of the United Nations.
2. Because of the agreement between the U.S. and Panama on the future of the Canal, we of this hemisphere can approach this session in a new spirit.
3. The treaties must of course undergo ratification in each country. You are confident that Congress and the American people -- after careful deliberation and in light of all the facts -- will welcome this great step forward in inter-American relations.
4. We hope this cooperative spirit will spread in our hemisphere. Many of the leaders who attended the signing ceremony used the opportunity to great advantage:
  - The government of El Salvador ratified the mediation agreement with Honduras, and the Presidents of both countries met to work out the next steps in normalizing relations.
  - The leaders of the Andean Pact met and worked out an agreement on allocating the automobile industry. This was important; even more important is the fact that the Andean Pact will continue to be a significant integrative force in the region. We strongly support regional and sub-regional organizations like the Andean Pact, CARICOM, and the Central American Common Market.

- The Heads of State of Bolivia, Chile, and Peru met to sketch the possibilities of reaching agreement on Bolivia's desire for a sovereign corridor to the sea.
- Several countries signed or ratified the American Convention on Human Rights or invited the Inter-American Commission on Human Rights to visit their countries.
- The common goal of creating the world's first region free from the fear of nuclear armaments seems more realizable than ever before.

5. We hope to transfer this same spirit to the debate at this UN General Assembly. We urge the other nations of this hemisphere to participate in global discussions with the same insight and energy they have shown in recent weeks.

# # #

THE WHITE HOUSE  
WASHINGTON  
September 30, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS *J*  
SUBJECT: Meeting with U.S. Delegation to the UNGA  
and U.S. Employees of the UN Secretariat

The State Department sent over a good draft statement for this meeting. We have shortened it somewhat and highlighted the main themes for use as talking points.

I am glad to be with such a large group of Americans who are associated with the work of the United Nations.

I will not seek to give any guidance or advice in this collective setting, for I do not want to appear to intrude on the loyalties to international service which many of you have proudly undertaken. At the same time, it is fitting that we should meet together because we share a common commitment to peace, human rights, justice and social progress. These are the founding principles of the United Nations. They are also the purposes and principles of my Administration.

My own commitment to the United Nations is a strong one. I visited here as a candidate. I sent one of my closest advisers to represent the United States, and this is my second visit here this year.

I believe that the UN must have a central role in the international system. Only in the United Nations can we develop the consensus necessary for progress on many of

today's global problems. Only in the United Nations is every nation entitled to participate, and through its participation to share in the obligation to strengthen peace.

In general, the work of the UN goes well. The Security Council plays a positive role in promoting settlements in areas where peace and security are threatened -- a role which my Administration will continue to encourage. The North/South dialogue has steadily moved away from confrontation as all sides have sought to identify common concerns and goals. In the Specialized Agencies there is a growing concern for more effective use of funds. Preparations for the Special Session on Disarmament, the largest disarmament meeting at the higher level in the post-war period, offer hope for an effective meeting next year.

The United States has a very special relationship to the United Nations. This is not only because we were so deeply involved in its creation, nor even because so many talented Americans have dedicated their lives to carrying out its principles and ideals. It is in large part because we have had a unique national experience in bringing together people of different nations, different races and different faiths. We have had 200 years to learn how to reconcile seemingly opposing regional interests, how to mitigate class and social divisions, and how to find peaceful and constructive solutions to age-old racial and religious antagonisms. We have even managed to cope with North/South disputes -- and I am here to testify that, if they keep at

long enough, the Southerners can sometimes win.

To those of you who have labored long here in the service of the United Nations and in the search for peace and justice, I offer my thanks for all you have done over the years. We are all the beneficiaries of your efforts. I hope you will find my Administration one you can be proud of.

To members of the US delegation, I would emphasize that the 32nd General Assembly marks our first opportunity to act together on our shared conviction that the UN can be a crucially important forum for resolving international disputes. You will have my full support and that of the Secretary of State in your work here. I count on you to advance our initiatives with imagination and resourceful effort this fall.

# # #

THE WHITE HOUSE  
WASHINGTON

Rich -

The original  
of this has gone  
to Tom Thornton.



THE WHITE HOUSE  
WASHINGTON  
September 30, 1977

1  
C  
/

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS

SUBJECT: Meeting with Immediate Staff of Secretary  
General, GA Officials, and Heads of UN  
Specialized Agencies

Rick Hertzberg culled these talking points from material  
supplied by State and NSC:

1. After thanking these men and women for the work they  
do on behalf of the world community, and noting that the  
peacekeeping efforts of the UN are critical, you might  
stress the major point that long-term peace and stability  
require resolution of the international social and economic  
problems addressed by their organizations.

2. Multilateral organizations can often be the best means  
for mobilizing global efforts to meet the basic human needs  
of the poor majority and to attack common problems such  
as population, environmental abuse, proliferation, weather  
modification, and resource management.

3. As the level of resource transfer between industrialized  
and developing countries increases, donor countries will  
face critical choices in how to channel these new funds.

-- Will they go through bilateral programs,  
regional agencies, or the UN?

-- How will they be apportioned among the various  
sectors: agriculture and rural development,  
energy, raw materials, health, education,  
economic infrastructure?

4. To occupy the prominent place in our future efforts  
that we would like to give them, UN institutions must  
improve administration and management.

-- Program and budget planning should be the order  
of the day.

-- Urgent, high-priority programs can and should  
be expanded, where possible, by judicious pruning  
of outmoded activities.

5. The United States Government is instituting zero-base budgeting to assure the best use of limited resources. You might wish briefly to explain the advantages of this technique and then strongly urge that serious consideration be given to adapting it to the organizations of the UN system.

-- Initially, we would at least like to see provision for identifying higher and lower priority items on a systematic basis.

6. To identify the programs that work and should be expanded, and those that don't work and should be changed or eliminated, a greatly improved evaluation capability is needed.

7. Finally, you might invite their attention to our shared desire to enhance the role of women at all levels in our organizations and in society generally, as part of an overall commitment to respect the human rights of all individuals everywhere.

8. You hope they will share their views with you on these issues.

# # #

THE WHITE HOUSE  
WASHINGTON

September 30, 1977

Jim Fallows

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: FIRESIDE CHAT

THE WHITE HOUSE  
WASHINGTON

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	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
✓	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

August 31, 1977

*Jody -  
Review & return  
by noon  
J.C.*

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS *Jim*

ABOUT: Fireside Chat

Here is the fireside chat draft you asked for last week. Hamilton has seen it and thinks it's all right. Jody said he just did not have time to look at it now, although I talked with him earlier about the approach.

Jerry Doolittle has been working with Bob Pastor on a draft of your statement at the treaty-signing ceremony. We have passed that on to Hamilton and Jody and should be able to give it to you tomorrow.

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for Preservation Purposes

*Jim - Listen to or  
Read over the remarks  
I've made to briefing  
groups on Panama &  
add any p. they  
speech comments to  
J*

THE WHITE HOUSE  
WASHINGTON

September 30, 1977

The First Lady

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

LEASE OF THE GNANN PROPERTY IN  
PLAINS

THE WHITE HOUSE  
WASHINGTON

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	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

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	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

*Ros  
J*

September 30, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Bob Lipshutz *BL*  
SUBJECT: Lease of the Gnann Property in Plains

Attached is the standard type GSA lease on this property which now has been completed in accordance with the terms previously discussed.

The Secret Service is drafting plans regarding the improvement of the property and will submit these to you before anything further is done.

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for Preservation Purposes



THE WHITE HOUSE  
WASHINGTON

September 30, 1977

Jack Watson

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

RE: HANDWRITTEN NOTE TO SEC.  
BERGLAND - DISPLAY AT  
COLOGNE GERMANY INTERNATIONAL  
FOOD FAIR

THE WHITE HOUSE  
WASHINGTON

9-30-77

To Bob Bergland

Please let Michael  
J Carr, Decatur Herald  
& Review (Illinois) -  
President of Nat. Farm  
Editors, know why we  
did not have a display  
in the Cologne Germany Int.  
Food Fair -

J.C.

THE WHITE HOUSE  
WASHINGTON

September 30, 1977

Frank Moore

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

RE: FAILURE OF CONGRESS TO ENACT  
APPROPRIATIONS

THE WHITE HOUSE  
WASHINGTON

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	POWELL
	WATSON
	LANCE
	SCHULTZE

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	WARREN



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

*Frank*  
*info*  
*C*

THE PRESIDENT HAS SEEN.

September 29, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

Jim McIntyre

*Jim McIntyre*

Attached is our preliminary analysis of the appropriations impasse affecting Labor/HEW and Foreign Assistance in the absence of Congressional action on a Continuing Resolution or the regular appropriations by October 1. I will give you a list Friday morning of the specific appropriations involved. *(attached)*

I have furnished a copy to Bob Lipshutz.

Attachment

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EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

GENERAL COUNSEL

September 30, 1977

MEMORANDUM FOR: JAMES T. MCINTYRE  
FROM: William M. Nichols  
SUBJECT: Failure of Congress to Enact Appropriations

The agencies and programs which will have no 1978 obligational authority until Congress appropriates funds are:

HEW: All bureaus and programs except Food and Drug Administration, Indian Education and Health, and Consumer Affairs (Social Security payments may continue since they are made from the trust fund).

Labor: All programs except those funded through trust funds, e.g., unemployment compensation.

Foreign Assistance: All activities requiring new budget authority including economic assistance, military assistance, military credit sales, international financial institutions, refugee assistance and ACTION.

Activities of the following related agencies:

Community Services Administration  
Corporation for Public Broadcasting  
Federal Mediation and Conciliation Service  
National Commission on Libraries and Information Science  
National Labor Relations Board  
National Mediation Board  
Occupational Safety and Health Review Commission  
Railroad Retirement Board  
Soldiers' and Airmen's Home

District of Columbia: Federal funds.



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

9

GENERAL COUNSEL

September 29, 1977

MEMORANDUM FOR: JAMES T. McINTYRE  
FROM: William M. Nichols  
SUBJECT: Failure of Congress to Enact Appropriations

You asked about the status of those agencies without regular FY 78 appropriations in the event Congress fails to pass a Continuing Resolution prior to October 1, 1977.

The short answer is that those agencies may not incur any controllable obligations or make any expenditures against FY 78 funds until Congress acts. This includes such things as personnel hiring, grant certifications, entering into contracts, approval of travel authorizations except in emergencies and payment of entitlements to individuals. In my view it does not include the acceptance of services from agency employees. The obligation to pay wages and salaries is created when services are rendered, but for the immediate future there is no feasible alternative to keeping employees on duty. If they were placed on leave without pay, they could and probably would elect instead to take leave, in whatever form is available to them, thereby continuing the agencies' obligations.

With respect to wages and salaries I am advised that the first critical date is October 4, when ACTION would normally make advance payments to its Volunteers. The next critical date is October 12, when all agencies would normally certify their regular payrolls.

This afternoon Don Derman convened a meeting of representatives of agencies included in the Labor-HEW Appropriations bill. They expressed substantial agreement with the above views, and are planning to proceed along those lines. Attached are draft copies of internal DOL and HEW memoranda on the subject. These documents have not yet been approved within the agencies and are attached for information only.

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No consensus was reached on one aspect of the problem--what to do with temporary employees whose appointments expire September 30, but who have reason to expect continued employment. The affected agencies will consider this question further.



THE WHITE HOUSE  
WASHINGTON

September 30, 1977

Hamilton Jordan

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Stu Eizenstat  
Jack Watson  
Jim King

RE: APPOINTMENT OF ABE BEAME TO  
THE ADVISORY COMMISSION ON  
INTERGOVERNMENTAL RELATIONS

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
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ACTION	FYI	
		MONDALE
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		POWELL
	/	WATSON
		LANCE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	ARAGON
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	H. CARTER
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	SCHNEIDERS
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	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

September 29, 1977

MEMORANDUM TO THE PRESIDENT

FROM: Hamilton Jordan *H.J.*  
Stuart Eizenstat *Stu*  
Jack Watson *Jack*

SUBJECT: APPOINTMENT OF ABE BEAME TO  
THE ADVISORY COMMISSION ON  
INTERGOVERNMENTAL RELATIONS

*ok*  
*J*

We recommend that when you meet with Mayor Beame next Tuesday in New York, you offer him the Chairmanship of the Advisory Commission on Intergovernmental Relations (ACIR).

You will have the opportunity to appoint the Chairman (who serves at the pleasure of the President) early next year when two "private citizen" positions become vacant (one on February 2 and the other in August). Both positions are now held by Republicans. The Chairman must be selected from the category of "private citizens" as opposed to the various public members comprising elected officials.

This appointment is for three years and does not require Senate confirmation. As you know, the ACIR is purely an advisory body, but it carries considerable prestige in the intergovernmental field.

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THE WHITE HOUSE  
WASHINGTON

9/30/77

rick--

original has been given  
to brzezinski's office

-- susan

THE WHITE HOUSE

WASHINGTON

September 30, 1977

To William Hyland

I want to express my personal thanks and appreciation for your quarter-century of distinguished service to our nation. Wherever you have served, you have rightly earned the high admiration of your colleagues, and made a vital contribution to many of the most central concerns of American foreign policy.

Your long and continuing involvement in the effort to place firm controls on the strategic nuclear arms race is a unique distinction; and I have personally benefited from your knowledge, experience, and wisdom as we have sought this year to negotiate a SALT II agreement. When it is completed, I hope that knowledge of your critical contribution will be a source of deep satisfaction to you.

While you have served in many parts of the government, spanning several Administrations, I am particularly pleased that you were here in the White House when I needed your help. I hope that in the future we will be able to call upon you for advice and counsel.

Sincerely,

*Jimmy Carter*

Mr. William G. Hyland  
National Security Council  
Washington, D. C. 20506

*p.s. I'm proud of  
you, & hate to  
see you go -  
J*

THE WHITE HOUSE  
WASHINGTON

September 30, 1977

Stu Eizenstat

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: BOOK WRITTEN BY JOE PECHMAN  
ON COMPREHENSIVE INCOME  
TAXATION

*Letter was sent  
to stripping*

THE WHITE HOUSE  
WASHINGTON

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THE WHITE HOUSE  
WASHINGTON

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JC

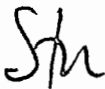
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for Preservation Purposes



THE WHITE HOUSE  
WASHINGTON

Mr. President:

Attached is a copy of Joe Pechman's latest book on tax policy with a personal inscription to you. I have also attached a thank you note which you may want to send to Joe.

A handwritten signature in dark ink, appearing to be the letters 'Stu' in a cursive, stylized script.

Stu

THE WHITE HOUSE

WASHINGTON

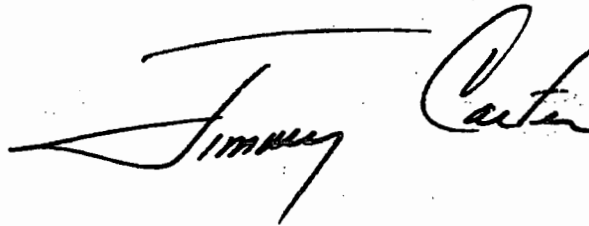
To Joe Pechman

Thanks very much for sending me a copy of  
your latest book on tax policy.

I suspect that the success we achieve with  
our tax reform program (and I know it will  
be a struggle) will be in good measure due  
to the pioneering educational work done by  
you and your colleagues over the years--  
and we recognize that debt.

As always, I appreciate your advice and  
counsel.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive style, with "Jimmy" and "Carter" connected. The "C" in "Carter" is large and loops around. The signature is positioned below the word "Sincerely,".

THE WHITE HOUSE  
WASHINGTON

September 30, 1977

Jim McIntyre

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling and delivery.

Rick Hutcheson

cc: Bob Linder

RE: FY78 SUPPLEMENTAL REQUESTS FOR INTERIOR  
AND LABOR DEPARTMENTS

cc: Jim Fallows  
Stu Eizenstat

THE WHITE HOUSE  
WASHINGTON

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/	FROM PRESIDENT'S OUTBOX
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		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
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	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
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	HARDEN
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	KING

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/	LINDER
	MITCHELL
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	PETTIGREW
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	WARREN

THE WHITE HOUSE  
WASHINGTON

September 29, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

FY78 Supplemental Request for  
Interior and Labor Departments

I recommend that you sign the attached FY 1978 Supplemental Budget requests transmitted to you by OMB.

The Labor Department request is for the additional \$500 million in funding for the Youth Employment and Demonstration Projects Act which you announced at the Black Caucus Dinner. It should definitely be approved, and I would recommend that a press statement be released when the request is submitted to Congress.

The Interior Department items are the Indian Affairs issues you approved last week. The Indian fisheries items have been scaled according to your decision, but still represent an adequate commitment to further our efforts to settle the Northwest fishing rights disputes. The request also includes necessary funding for Indian rights defense cases which were in the memorandum you approved. The total request is \$7.5 million.

We will work on the press statement with Jim Fallows and the Press Office on the Youth Employment money.

No comment from Lipshutz, Moore  
or Watson.

---Rick



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

September 29, 1977

SIGNATURE

MEMORANDUM FOR: THE PRESIDENT

FROM: James T. McIntyre, Jr.

SUBJECT: Proposed Fiscal Year 1978 Supplemental Appropriations for the Department of the Interior and the Department of Labor

Attached for your approval are fiscal year 1978 supplemental appropriations requests for the Department of the Interior and the Department of Labor. These requests will implement your recent decisions and include:

- ° \$7.5 million for the Department of the Interior for the improvement of Pacific Northwest fisheries and for the cost of research required by the Federal government in its role as defendant as a trustee in court cases involving various Indian tribes.
- ° \$500 million for the Department of Labor to provide employment assistance to unemployed youth.

The details of these requests are contained in the enclosed fact sheets. These proposals will increase fiscal year 1978 budget outlays by \$122.5 million and fiscal year 1979 outlays by \$385 million.

Recommendation

That you sign the letter transmitting these requests to the Congress no later than Friday, September 30. This will enable the Appropriations Committees to consider these proposals in time to be included in the first 1978 Supplemental Appropriation bill.

Attachments

DEPARTMENT OF THE INTERIOR  
United States Fish and Wildlife Service  
Bureau of Indian Affairs

Agency Request

\$22,200,000

OMB Recommendation

\$7,488,000

Purpose/Discussion

These requests reflect your decision of September 21 to partially restore OMB cuts to requests from the Department of the Interior for fiscal year 1978 supplemental appropriations. These proposals will provide \$6.14 million for the improvement of Pacific Northwest fisheries and \$1.35 million for defending major Indian rights cases in which the Federal government is the defendant .

Outlay Impact

These proposals will increase fiscal year 1978 outlays by \$7.49 million.

Recommendation

That you sign the letter transmitting this proposal to the Congress.

DEPARTMENT OF LABOR  
EMPLOYMENT AND TRAINING ADMINISTRATION  
Employment and Training Assistance - Youth Programs

Agency Proposal - \$500,000,000

OMB Recommendation - \$500,000,000

Purpose/Discussion

This proposal implements your recent decision to request an additional \$500 million to respond to the high unemployment rate suffered by the nation's young people. This decision was announced to the Black Caucus on September 24. This request will restore the \$500 million Congressional cut in your \$1.5 billion request for this program contained in your economic stimulus proposals.

Outlay Impact

This request would increase outlays by \$115 million in fiscal year 1978 and by \$385 million in fiscal year 1979. All fiscal year 1978 outlays would be for the Young Adult Conservation Corps, which is limited by law in how closely it can be targeted to central cities, minority youth, and low income youth.

The Labor Department cannot spend, in fiscal year 1978, the \$770 million already appropriated in fiscal year 1977 for the other new youth programs which are more targeted to minority and urban youth. After a hectic planning and design process the Department has just issued regulations to implement these other programs. The complex and innovative provisions of the law and the extreme importance of developing careful pilot program designs and evaluation systems make necessary a long lead time. Initial enrollments in these other programs cannot possibly begin for another two to three months. The Conservation Corps, on the other hand, has been anticipated for two years and can be started and expanded quickly, with enrollments beginning in early October. It is unlikely that fiscal year 1978 outlays will be able to carry out your announced plan to target additional funds for unemployed minority youth. However, simultaneous with the transmittal of this supplemental request we will be able to announce Labor's plan to direct \$100 million of other available Comprehensive Employment and Training Act funds to bring more jobs to disadvantaged youth in 1978.

We are exploring alternative targeting policies for the Conservation Corps within the legal limits.

Recommendation

That you sign the letter transmitting this proposal to the Congress.



THE WHITE HOUSE  
WASHINGTON

The Speaker of the  
House of Representatives

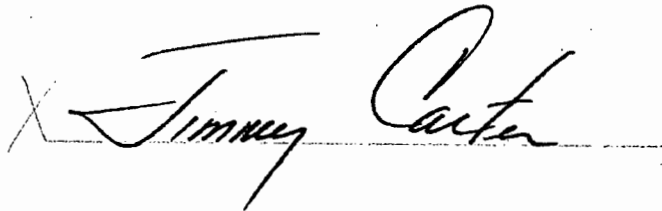
Sir:

I ask the Congress to consider proposed supplemental appropriations for the fiscal year 1978 in the amount of \$7,488,000 for the Department of the Interior and in the amount of \$500,000,000 for the Department of Labor.

The details of these proposals are set forth in the enclosed letter from the Acting Director of the Office of Management and Budget. I concur with his comments and observations.

Respectfully,

Enclosure

X  Jimmy Carter



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

The President

The White House

Sir:

I have the honor to submit for your consideration proposed supplemental appropriations for the fiscal year 1978 in the amount of \$7,488,000 for the Department of the Interior and in the amount of \$500,000,000 for the Department of Labor. The details of these proposals are contained in the enclosures to this letter.

I have carefully reviewed the proposals contained in this document and am satisfied that this request is necessary at this time. I recommend, therefore, that these proposals be transmitted to the Congress.

Respectfully,

*Jim McIntyre*

Enclosures

DEPARTMENT OF THE INTERIOR  
UNITED STATES FISH AND WILDLIFE SERVICE

Construction and Anadromous Fish

For an additional amount for "Construction and anadromous fish", \$3,600,000, to remain available until expended.

BUREAU OF INDIAN AFFAIRS

Operation of Indian Programs

For an additional amount for "Operation of Indian programs", \$1,725,000.

Construction

For an additional amount for "Construction", \$2,163,000 to remain available until expended: Provided, That not to exceed \$1,685,000 shall be available to assist the Tulalip Indian Tribes for planning, engineering, and construction of a fish hatchery on Puget Sound; and that not to exceed \$181,000 shall be available to assist the Point-No-Point Treaty Tribes, including the tribes of Lower Elwha, Skokomish and Port Gamble, for expansion of salmon production facilities; and that not to exceed \$297,000 shall be available to assist the Quinault Indian Tribe for rehabilitation of salmon production facilities.

These requests will provide funds to continue construction of the Makah National Fish Hatchery in Washington State and for the expansion of selected fish hatcheries in the Pacific Northwest. Funds will also be provided for the development of certain management improvements in the operation of Pacific Northwest fisheries, the initiation of planning and design of a new hatchery at the Tulalip Indian reservation in Washington State, and for research for certain court cases in which the United States is defendant as trustee for the Indian tribes involved. These proposals will increase fiscal year 1978 outlays by \$7.5 million.

DEPARTMENT OF LABOR  
EMPLOYMENT AND TRAINING ADMINISTRATION

Employment and Training Assistance

For an additional amount for "Employment and training assistance," \$500,000,000, to remain available until September 30, 1979.

The proposed supplemental appropriation would provide funds to expand the service levels of youth employment and training programs. These programs are authorized by the Youth Employment and Demonstration Projects Act of 1977, and include the Young Adult Conservation Corps, Youth Incentive Entitlement Pilot Projects, Youth Community Conservation and Improvement Projects, and Youth Employment and Training Programs. This proposal will increase outlays by \$115 million in fiscal year 1978 and \$385 million in fiscal year 1979.